

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

July 27, 2010

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The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

SAN FERNANDO REDEVELOPMENT AGENCY REQUEST FOR APPROVAL TO AMEND THE REDEVELOPMENT PLANS FOR PROJECT AREA NOS. 1A AND 3A (SUPERVISORIAL DISTRICT 3) (3 VOTES)

SUBJECT

Recommendation to approve a Resolution that provides the San Fernando Redevelopment Agency with County approval to amend the Redevelopment Plans for the San Fernando Redevelopment Project Area Nos. 1A and 3A.

JOINT RECOMMENDATION WITH THE DIRECTOR OF PUBLIC WORKS THAT YOUR BOARD:

Approve a Resolution that provides the San Fernando Redevelopment Agency with the County of Los Angeles approval to amend the Redevelopment Plans for the San Fernando Redevelopment Agency Project Area Nos. 1A and 3A.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The San Fernando Redevelopment Agency plans to amend the Redevelopment Plans for Project Area Nos. 1A and 3A. The Tax Allocation Agreements for Project Nos. 1A (November 9, 1988) and 3A (April 2, 1984) require that amendments to the Redevelopment Plans include "prior written approval of the County Board of Supervisors." The attached Resolution will constitute such approval.

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FISCAL IMPACT/FINANCING

The proposed Amendment includes: a merger of Project Area Nos. 1, 2, 3, 3A, and 4; a restatement of the Redevelopment Plans into a single consolidated plan for the Merged Area and Project No. 1A; a consolidation of the individual dollar limits for Project Area Nos. 1, 2, 3, and 3A into a single dollar limit; and an extension of time limits for Project Area Nos. 1A, 2, 3, and 3A to the longest time limits allowable under Community Redevelopment Law (CRL). Due to the existence of favorable negotiated pass-through payments in Project Area Nos. 1A and 3A, there will not be a negative fiscal impact on the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

According to Section 33344.5 of the CRL, the Agency is required to send a Preliminary Report to each affected taxing agency that includes a summary of the plan amendments, remaining blighting conditions in the project areas, the relationship between the redevelopment program and the alleviation of blighting conditions, and an estimate of future tax increment generated by the project areas. The Agency submitted the Preliminary Report to the County, and the Chief Executive Office sent a summary report to your Board on May 27, 2010. That report included the Chief Executive Office's analysis of the Agency's findings, and concluded that the Preliminary Report was consistent with the requirements of the CRL.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and Resolution to the Chief Executive Office, Office of Unincorporated Area Services, Public Works, Watershed Management Division, and the Auditor-Controller, Tax Division.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:GF:BC DSP:RTM:os

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Executive Director, City of San Fernando Redevelopment Agency

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO APPROVE THE AMENDMENT OF THE REDEVELOPMENT PLAN FOR PROJECT AREA NO. 1A AND THE AMENDMENT OF THE REDEVELOPMENT PLAN FOR PROJECT NO. 3A

WHEREAS, the City Council of the City of San Fernando (the "City Council") adopted its Ordinance No. 918 on May 26, 1966, approving and adopting the Redevelopment Plan for Redevelopment Project No. 1 ("Project Area No. 1"). The Redevelopment Plan for Project Area No. 1 has been amended from time to time, including by Ordinance No. 1316, on June 27, 1988, which added territory to Project Area No. 1 ("Project Area No. 1A").

WHEREAS, the City Council adopted its Ordinance No. 1032 on August 14, 1972, approving and adopting the Redevelopment Plan for the San Fernando Redevelopment Project No. 2 ("Project Area No. 2"). The Redevelopment Plan for Project Area No. 2 has been amended from time to time.

WHEREAS, the City Council adopted its Ordinance No. 1050 on June 18, 1973, approving and adopting the Redevelopment Plan for the Civic Center Redevelopment Project ("Project Area No. 3"). The Redevelopment Plan for Project Area No. 3 has been amended from time to time, including by Ordinance No. 1219, adopted on April 4, 1983, which added territory to Project Area No. 3 ("Project Area No. 3A").

WHEREAS, the City Council adopted its Ordinance No. 1447 on July 18, 1994, approving and adopting the Redevelopment Plan for Redevelopment Project Area No. 4 ("Project Area No. 4"). The Redevelopment Plan for Project Area No. 4 has been amended from time to time.

WHEREAS, the City Council and the Redevelopment Agency of the City of San Fernando (the "Agency") are undertaking proceedings pursuant to the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (the "Redevelopment Law") to approve and adopt further amendments (the proposed "2010 Amendments") to the Redevelopment Plans for Project Area Nos. 1, 1A, 2, 3, 3A, and 4. The purposes of the 2010 Amendments are to:

- 1) merge Project Area Nos. 1, 2, 3, 3A and 4, which together will comprise the San Fernando Merged Redevelopment Project Area (the "Merged Project Area"); Project Area No. 1A is not merged with the other Project Areas;
- amend, restate, and consolidate the Redevelopment Plans for the Project Areas into a single consolidated redevelopment plan for Project Area No. 1A and the Merged Project Area (the "Amended Plan");
- 3) replace the individual limits on the number of dollars of taxes that may be divided and allocated to the Agency from Project Area Nos. 1, 2, 3 and 3A with a single limit of Two Hundred Fifty One Million Dollars (\$251,000,000) applicable to Project Area Nos. 1, 2, 3 and 3A in the aggregate. No change is made to the existing limit on the number of dollars of taxes that may be divided and allocated to the Agency from Project Area No. 1A, which is Sixteen Million Dollars (\$16,000,000). There is no requirement to have a limit on the number of dollars of taxes that may be divided and allocated to the Agency from Project Area No. 4 and none is provided in the Revised Amended Plan;

Approve Amendments to Redevelopment Plans for Project Nos. 1A and 3A City of San Fernando Page 2 of 3

- 4) replace the individual limits on the amount of bonded indebtedness, payable in whole or in part from tax increment revenues, that can be outstanding at one time for Project Area Nos. 1, 2, 3, 3A, and 4 with a single limit of Seventy-Five Million Dollars (\$75,000,000) applicable to Project Area Nos. 1, 2, 3, 3A and 4 in the aggregate;
- 5) establish a limit on the amount of bonded indebtedness, payable in whole or in part from tax increment revenues, that can be outstanding at one time for Project Area No. 1A of Five Million Dollars (\$5,000,000);
- 6) extend the time limits for the effectiveness of the Amended Plan with respect to Project Area Nos. 1A, 2, 3 and 3A to June 27, 2029, August 21, 2015, June 18, 2016, and April 4, 2026, respectively;
- 7) extend the time limits for the repayment of indebtedness and the receipt of tax increment revenues with respect to Project Area Nos. 1A, 2, 3 and 3A to June 27, 2039, August 21, 2025, June 18, 2026, and April 4, 2036, respectively;
- 8) extend the time limit for establishing loans, advances and indebtedness to be paid with the proceeds of tax increment revenues derived from Project Area No. 4 to July 18, 2024;
- 9) provide that the land uses permitted by the Amended Plan for Project Area No. 1A and the Merged Project Area shall be those land uses permitted by the City's General Plan and Zoning Ordinance, as amended from time to time; and
- 10) make technical or clarifying changes, including changes to update various provisions of the Amended Plan to conform to the current requirements of the Redevelopment Law.

WHEREAS, the Board of Supervisors has been presented with the proposed Amended Plan, which incorporates the 2010 Amendments, as described above.

WHEREAS, pursuant to an existing tax sharing agreement by and among the City of San Fernando (the "City"), the Agency, the Los Angeles County Flood Control District, and the County of Los Angeles (the "County"), the Agency shall not amend the Redevelopment Plan for Project Area No. 1A as described in Health and Safety Code Section 33354.6 without prior written approval of the County.

WHEREAS, pursuant to an existing tax sharing agreement by and among the City, the Agency, and the County, the City and/or Agency shall not amend the Redevelopment Plan for Project Area No. 3A in any respect regarding financial aspects and/or boundary changes without the prior written approval of the County Board of Supervisors.

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NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles that:

APPROVED AS TO FORM

ANDREA SHERIDAN ORDIN County Counsel

By Deputy